



MEMORANDUM

Date: May 1, 2024

To: The Honorable Chair and Members
Pima County Board of Supervisors

From: Jan Leshner 
County Administrator

Re: **Arizona Board of Regents Intergovernmental Agreement (IGA) and Lease for Banner University Medical Center – South Campus**

As detailed in the January 22, 2024 [Arizona Board of Regents \(ABOR\) Intergovernmental Agreement \(IGA\) for Banner-University Medical Center – South Campus: Five-Year Update](#), presented to the Pima County Board of Supervisors (BOS), the County has a long-standing partnership for the operation and success of the South Campus hospital facility at the corner of Ajo Way and South Country Club Road. Since 2004, the County has leased the South Campus facility to area-hospital operators, and over the recent nine years, specifically with Banner Health (Banner). The current five-year intergovernmental agreement (IGA) between the County, Arizona Board of Regents (ABOR) and Banner for the hospital will end on June 30, 2024.

Two agreements support the operation of the South Campus hospital – the Operational IGA and the Lease Agreement for the hospital campus. The two agreements, in concert, safeguard the public-private partnership for the operation and growth of the hospital and are inextricably linked. As the current operational support agreement from the County to the hospital operator (Banner) is completed, the partners determined it appropriate to restate both the IGA and the Lease for the upcoming 5-year period and replace the current set of agreements. These two agreements assure that the provision of essential medical care at the South Campus remains available in an underserved area of our community.

The two agreements for Board of Supervisors' (BOS) consideration ensure the operational tenets align with the needs of the community, fulfill the long-term goals of growing comprehensive medical care in a medically underserved area, and realize the shared long-term commitment to the growth of accessible medical services in the region. In addition to quality patient service delivery, the operational partnership also includes significant federal match investment to grow the medical workforce in the region and leverage other federal funding investments to bolster medical care in the County.

The recent informational update emphasized the shared commitment to growth of the South Campus services – specifically, essential, and comprehensive medical, behavioral health, and crisis services, and healthcare workforce investment. The growth of the South Campus and the network with the Banner University Medical Center – University (Tucson Campus) has bolstered the ability to provide a regional and state-wide integrated hospital network that ensures the region retains high-quality patient care. The recent five years has seen unprecedented public health and COVID-19 pandemic response needs yet fortified the ongoing public-private partnership to grow patient service delivery, and adequately respond

The Honorable Chair and Members, Pima County Board of Supervisors

Re: **Arizona Board of Regents Intergovernmental Agreement (IGA) and Lease for Banner University Medical Center – South Campus**

May 1, 2024

Page 2

to priority public health, medical and behavioral health needs, and exceed the shared vision for access to comprehensive services in Southern Pima County.

This long-term public-private partnership has created one of the most innovative health campuses in the state, leveraging voter-approved bonds to support full service medical, behavioral health, crisis, and public health facility on one campus. The partnership has monumentally shifted the patient service delivery model available at the campus.

Recommendation:

I recommend the approval of both the Intergovernmental Agreement (IGA) and the Lease Agreement for the continued operational partnership for the South Campus facility – Banner University Medical Center – South Campus.

JKL/dym

c: Carmine DeBonis, Jr., Deputy County Administrator
Francisco García, MD, MPH, Deputy County Administrator & Chief Medical Officer
Steve Holmes, Deputy County Administrator
Tony Cisneros, Director, Pima County Facilities Management
Terry Cullen, MD, MS, Public Health Director, Pima County Health Department
Rod Lane, Director, Project Design & Construction
Ellen Moulton, Director, Pima County Finance and Risk Management
Paula Perrera, Director, Pima County Behavioral Health
Sam Brown, Chief Civil Deputy, Pima County Attorney's Office
Sarah Davis, Senior Advisor, Pima County Administrator's Office